Examiners' Report
Lead Examiner Feedback

June 2022

Pearson BTEC Nationals
In L3 Qualification in Marketing (50234N)
Unit 2: Principles of Marketing

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Grade Boundaries

What is a grade boundary?

A grade boundary is where we set the level of achievement required to obtain a certain grade for the externally assessed unit. We set grade boundaries for each grade, at Distinction, Merit and Pass.

Setting grade boundaries

When we set grade boundaries, we look at the performance of every learner who took the external assessment. When we can see the full picture of performance, our experts are then able to decide where best to place the grade boundaries – this means that they decide what the lowest possible mark is for a particular grade.

When our experts set the grade boundaries, they make sure that learners receive grades which reflect their ability. Awarding grade boundaries is conducted to ensure learners achieve the grade they deserve to achieve, irrespective of variation in the external assessment.

Variations in external assessments

Each external assessment we set asks different questions and may assess different parts of the unit content outlined in the specification. It would be unfair to learners if we set the same grade boundaries for each assessment, because then it would not take accessibility into account.

Grade boundaries for this, and all other papers, are on the website via this link:
http://qualifications.pearson.com/en/support/support-topics/results-certification/grade-boundaries.html

Awarding BTEC qualifications in 2022

Ofqual has set out their plans for awarding qualifications in 2022 and intend to return to a normal, pre-pandemic, approach to grading standards over by 2023. They have confirmed that 2022 will be a transition year, to reflect that we are in a pandemic recovery period and students' education has been disrupted.

Our guiding principle and approach to awarding BTEC qualification results in 2022 will be to ensure parity in relation to the approach being taken for GCSE and A level learners. BTEC courses have a different structure and design to academic qualifications - BTECs are modular qualifications (with assessments taking place throughout the course) compared to GCSEs and A levels which are linear (assessed and awarded at the same time at the end of the year), and therefore our approach needs to be different.

In 2022 we will return to the usual method of calculating BTEC qualification results, however adaptations including, U-TAGs and reduced internal assessment, are in place to provide a comprehensive package of support for students.

The basis of our awarding approach to BTECs this year is to ensure it is as fair as possible for all learners. We will use a range of evidence to set grade boundaries for the external units. Part of this evidence will be to closely monitor learner performance in all assessments that contribute to learners' final qualification grade, to ensure parity with A level and GCSEs.

Further information can be found on our website and via our Social Media channels.

Introduction

This was the second examination of the Principles of Marketing unit 50234N. The structure of the paper has three sections. Section A contains multiple choice and short answer questions and does not have a linked context. This is worth 23 marks. Section B and C each have a context before multiple choice, short answer and extended open response questions. Section B is worth 22 marks and Section C is worth 25 marks. In section B the context was for a service provider focused within the business-to-business market in terms of a provider of drones to protect the security of sports events and airports. Section C was a goods manufacturer in terms of home music studios. On the Pearson website you will find Sample Assessment Material and Additional Assessment Material, as well as the papers from January and June 2022 as practice for learners in preparing for future series.

Introduction to the Overall Performance of the Unit

It was clear that centres had prepared learners on how to structure responses. The Extended Open Response questions (assess, discuss and evaluate), which have level-based response mark schemes, saw most learners offer balanced responses looking at positives and negatives associated with a decision and where needed offered conclusions. It was more mixed in terms of the ability of learners to apply the response to the context of the business in the question. Some went as far as writing the name of the business. Others ensured that the response was fully related to the business in the context. Two questions in particular caused significant challenge. These were Q7 on Guerrilla marketing and Q19 on packaging. For guerrilla marketing a significant number left the answer completely blank. These and other questions will be considered below in terms of strong performance and areas for development.

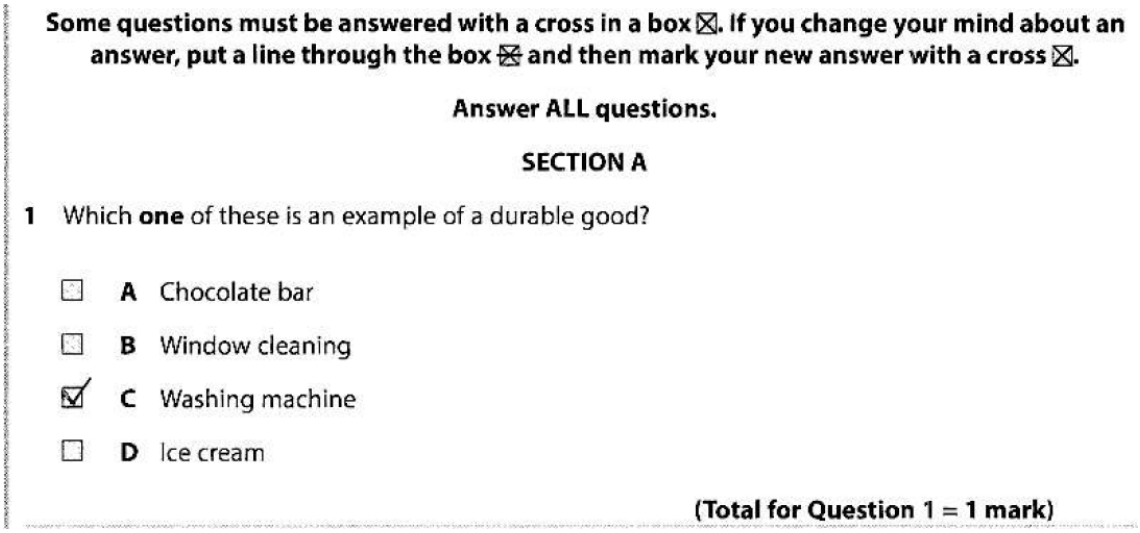
Individual Questions

Section A

Question 1

This question saw one of the highest mean scores. The vast majority could identify a washing machine as a durable good. The question assessed D9: Durable products.

The response below scored one mark: they have identified the correct response in this case by placing a tick in the appropriate box. However, please note that the instruction above clearly asks for a cross to be placed in a box. Thankfully for this learner their error was picked up and it was marked manually.



Some questions must be answered with a cross in a box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

Answer ALL questions.

SECTION A

1 Which **one** of these is an example of a durable good?

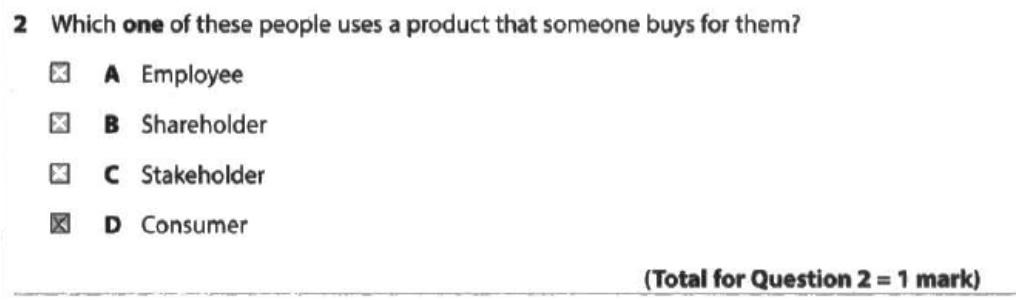
- ☐ **A** Chocolate bar
- ☐ **B** Window cleaning
- ☑ **C** Washing machine
- ☐ **D** Ice cream

(Total for Question 1 = 1 mark)

Question 2

Another question which learners performed well on with the same high mean score as question 1. Learners had to identify that consumers use products that someone buys for them. The question assessed C3: Customer profiles, consumers.

The response below scored one mark: the correct answer has been crossed.



2 Which **one** of these people uses a product that someone buys for them?

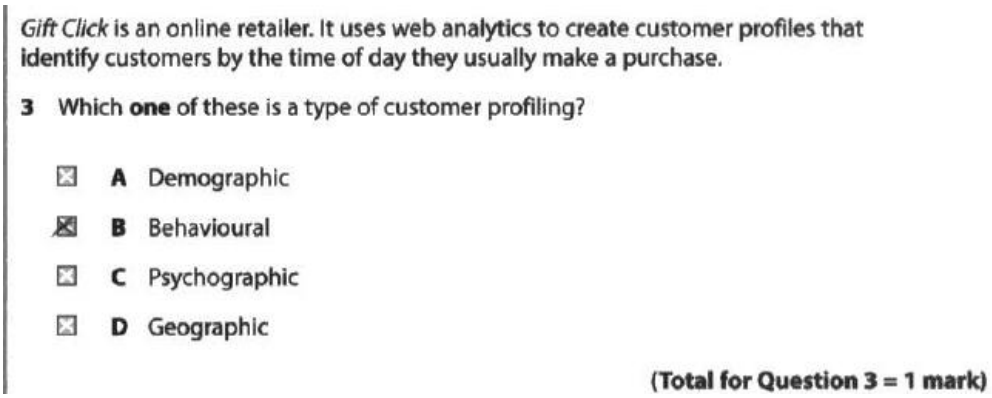
- ☒ **A** Employee
- ☒ **B** Shareholder
- ☒ **C** Stakeholder
- ☒ **D** Consumer

(Total for Question 2 = 1 mark)

Question 3

This was a more challenging question than the previous two with two-thirds achieving the mark. Learners had to identify that identifying customers by the time of day they shop is behavioural customer profiling. The question assessed C3: Customer profiles, behavioural profiling.

The response below scored one mark: the correct answer has been crossed.



Gift Click is an online retailer. It uses web analytics to create customer profiles that identify customers by the time of day they usually make a purchase.

3 Which **one** of these is a type of customer profiling?

- ☒ **A** Demographic
- ☒ **B** Behavioural
- ☒ **C** Psychographic
- ☒ **D** Geographic

(Total for Question 3 = 1 mark)

Question 4

This question had the highest mean score. Most learners could identify the aim of the charity. The question assessed A2: Business and organisation aims and objectives.

The response below scored one mark: the correct answer has been crossed.

Little Food Parcel is a charity supporting young people by providing free food parcels so they have enough to eat.

4 Which **one** of these is the most likely aim of *Little Food Parcel*?

- ☒ **A** To provide for basic needs
- ☒ **B** To forward profits to shareholders
- ☒ **C** To maximise profits
- ☒ **D** To increase revenues generated from selling food parcels

(Total for Question 4 = 1 mark)

Question 5

This question was more challenging with the lowest mean score on the paper so far. Most learners could still identify that the example of psychographic target market was personality characteristics. The question assessed C1: Market segmentation, targeting and positioning.

The response below scored one mark: the correct answer has been crossed.

5 Which **one** of these is an example of a psychographic target market segment?

- ☒ **A** Family profile
- ☒ **B** Personality characteristics
- ☒ **C** Spending characteristics
- ☒ **D** Age profile

(Total for Question 5 = 1 mark)

Question 6

This question was answered correctly by approximately two-thirds of learners. Most learners could still identify one marketing objective that will help Invincible Cases gain loyal customers. The question assessed A2: Business and organisation aims and marketing objectives.

The response below scored one mark: this was a common answer and the loyalty scheme would certainly support in securing loyal customers.

Invincible Cases produces mobile phone cases that are not damaged if they are dropped or if they get very wet. The business aims to gain loyal customers.

6 State **one** marketing objective that will help *Invincible Cases* gain loyal customers.

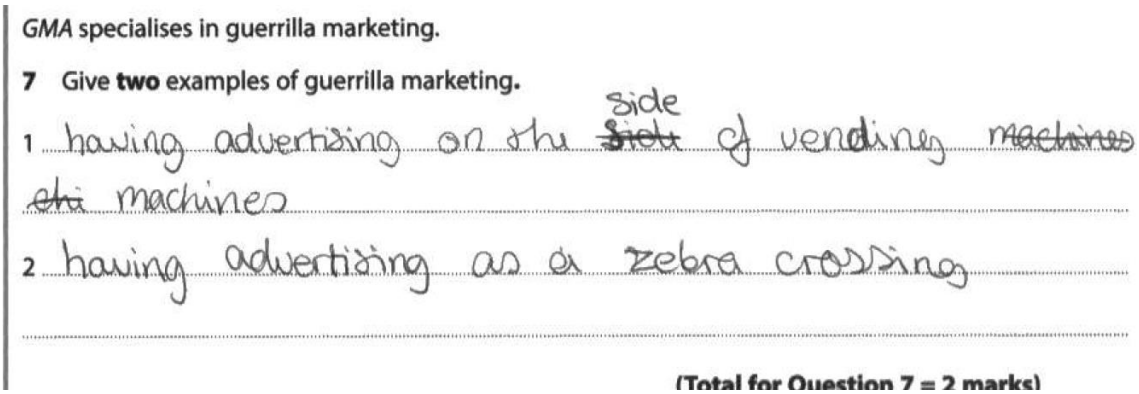
create a loyalty scheme,

(Total for Question 6 = 1 mark)

Question 7

This question had the lowest mean score on the paper. A significant number left it blank. Many offered incorrect answers. In the specification D4: Promotion has guerrilla marketing listed under methods. It also lists two examples pop-ups and interactive ads. These were very rarely offered by learners. Where they did offer rewardable examples, these tended to be street marketing ads in unconventional places, projections on to buildings, use of street art, midnight walks and 3D effects on billboards. Centres should ensure learners can identify examples of guerilla marketing.

The response below was typical and scores one mark: This is for the second response- advertising on a zebra crossing. The first answer on the side of vending machines is not an example of guerilla marketing.



GMA specialises in guerrilla marketing.

7 Give **two** examples of guerrilla marketing.

1 having advertising on the ~~side~~ side of vending ~~machines~~ ~~the~~ machines

2 having advertising as a zebra crossing

(Total for Question 7 = 2 marks)

Question 8

This question was out of two with most scoring one mark. Most were able to offer one reason why marketing is important when expanding. In the specification this question tests A1: The importance of marketing. The best responses related to the selected business so made use of information about new tracks and making people aware of these. The second response was less commonly awarded.

The response below scores one mark: this is for raising brand awareness. The second response was too vague to be awarded a mark.

Dream Speed Drive offers customers the opportunity to drive its high-performance cars. *Dream Speed Drive* currently uses one race track. It is planning to expand and use two new race tracks.

8 Identify **two** reasons why marketing is important to *Dream Speed Drive* when expanding.

1 to increase brand awareness

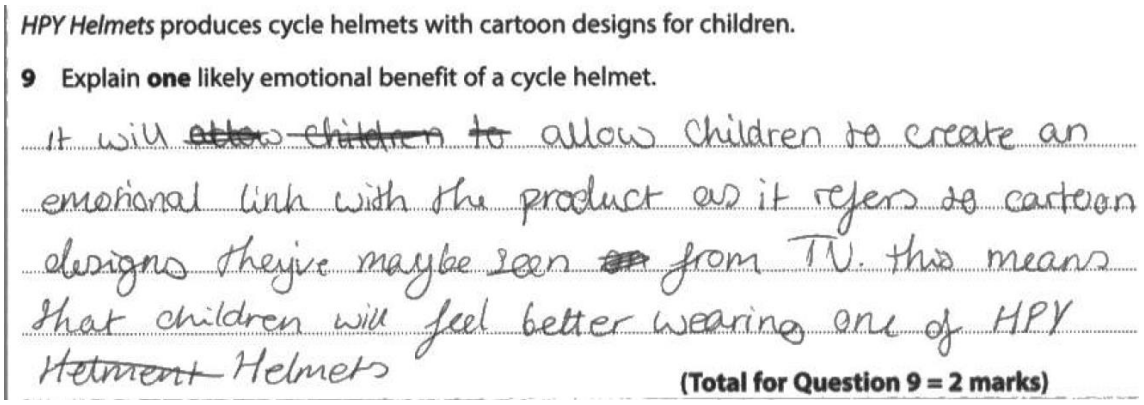
2 to increase revenue/sales

(Total for Question 8 = 2 marks)

Question 9

This question was successful for many with the most common score 2/2. The question assessed C2: Consumer buying behaviour focusing. Most could identify a relevant emotional benefit and then offer a linked expansion. Most commonly learners spoke about the child feeling amused or happy because their favourite cartoon is on the helmet.

The response below scores two marks: the first mark is awarded for creating an emotional link with a cartoon character they've seen and one mark for feel better.



HPY Helmets produces cycle helmets with cartoon designs for children.

9 Explain **one** likely emotional benefit of a cycle helmet.

It will ~~atten~~ ~~children~~ ~~to~~ allow children to create an emotional link with the product as it refers to cartoon designs they've maybe seen ~~on~~ from TV. this means that children will feel better wearing one of HPY ~~Hetment~~ Helmets

(Total for Question 9 = 2 marks)

Question 10

This question was challenging for many with most not able to access any of the four marks. The question assessed C2: Consumer buying behaviour focusing on limited decision making. Learners needed to explain two ways marketing could be adapted for those with limited decision making. Those that accessed marks tended to look at focusing on unique features of the products, offering limited information on the products and keeping information simple. In each case this then needed expansion as to how the adaption helps those with limited decision making.

The response below scores two marks: both are awarded for the first response offered. One mark for limited, simplified content in marketing material and one mark for avoiding making it difficult to interpret. The second point does talk about simple but this would be repetition.

Smart TV Centre is a television retailer. It has identified that most customers use limited decision-making processes when purchasing a new television.

10 Explain **two** ways that *Smart TV Centre* will adapt its marketing for people who use limited decision-making processes.

1 The marketing material will contain limited, simplified content. For example, just the TV measurements and price as a suppose to advanced info that's difficult to interpreate.

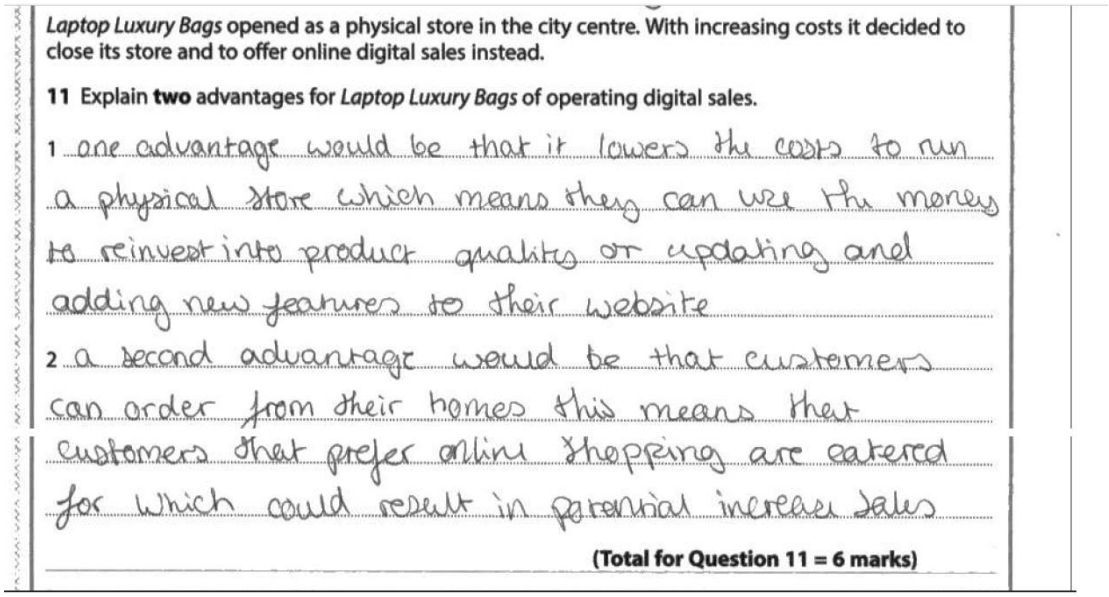
2 They will use simple, mass outreach communication tools such as TV and radio adverts; customers aren't actively researching but can still be reached in this way.

(Total for Question 10 = 4 marks)

Question 11

This question saw most performing well. Learners tended to have a good understanding of the benefits of trading online. The question assessed D3: Place focused on digital sales. Learners needed to explain two advantages of operating digitally. They then needed for each to offer expansion. Most focused on 24/7 availability, wider audience and reduced costs associated with running physical stores.

The response below scores four marks: first mark for lower costs to run a physical store and the second mark for development of this releasing funds for features on the website. The third mark is awarded for customers can order from home with one additional mark for developing this with increasing potential sales.



Laptop Luxury Bags opened as a physical store in the city centre. With increasing costs it decided to close its store and to offer online digital sales instead.

11 Explain **two** advantages for *Laptop Luxury Bags* of operating digital sales.

1 one advantage would be that it lowers the costs to run a physical store which means they can use the money to reinvest into product quality or updating and adding new features to their website

2 a second advantage would be that customers can order from their homes this means that customers that prefer online shopping are catered for which could result in potential increase sales

(Total for Question 11 = 6 marks)

Section B

Question 12

This question saw just over half achieve the mark. The question assessed C2: Consumer buying behaviour focusing on extensive decision making. Learners needed to identify that when a business purchases a drone security system it was most likely to be extensive decision making.

The response below scores the available mark.

12 Which **one** of these describes the consumer buying process for the services offered by *Drone Protect UK Ltd*?

- ☒ **A** Impulse purchase
- ☒ **B** Routine purchase
- ☒ **C** Limited decision making
- ☒ **D** Extensive decision making

(Total for Question 12 = 1 mark)

Question 13

This question saw most performing well. Learners tended to have a good understanding of intangible services. The question assessed C3: Customer profiles. The learners needed to identify one intangible service provide by *Drone Protect UK Ltd*. Most focused on providing security services, protecting sports stadia or airports and using software to record and track drones.

The response below scores one mark: this is for identifying security services.

13 Identify **one** intangible service offered by *Drone Protect UK Ltd*.

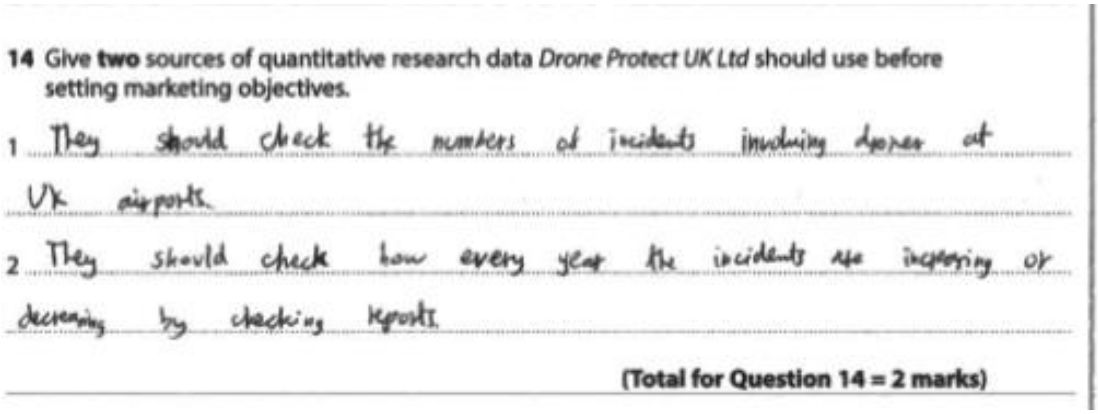
Security service. An example can be software.

(Total for Question 13 = 1 mark)

Question 14

This question saw few able to give two sources of quantitative data but a significant number able to give one source for one mark. Learners tended to be able to give at least one example of quantitative research data. The question assessed A2: marketing objectives based on research.

The response below scores one mark: this is for the first response. The second point would be more about identifying the trend in the quantitative data form their first point.



14 Give **two** sources of quantitative research data *Drone Protect UK Ltd* should use before setting marketing objectives.

1 They should check the numbers of incidents involving drones at UK airports.

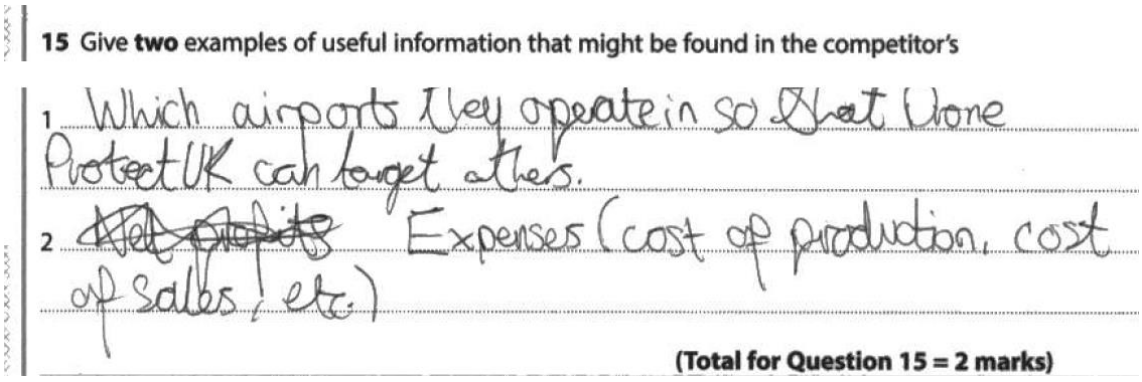
2 They should check how every year the incidents are increasing or decreasing by checking reports.

(Total for Question 14 = 2 marks)

Question 15

This question asked learners to give two examples of useful information that can be found in a competitor's company report. The question assessed B1: researching the market, specifically secondary market research methods. Whilst many were able to access marks many struggled to achieve the second mark.

The response below scores the full two marks: the first response gives a relevant response in terms of where they operate but also makes it clear why- so Drone Protect can target others. The second response identifies financial information which is also rewarded.



15 Give **two** examples of useful information that might be found in the competitor's

1 Which airports they operate in so that Drone Protect UK can target others.

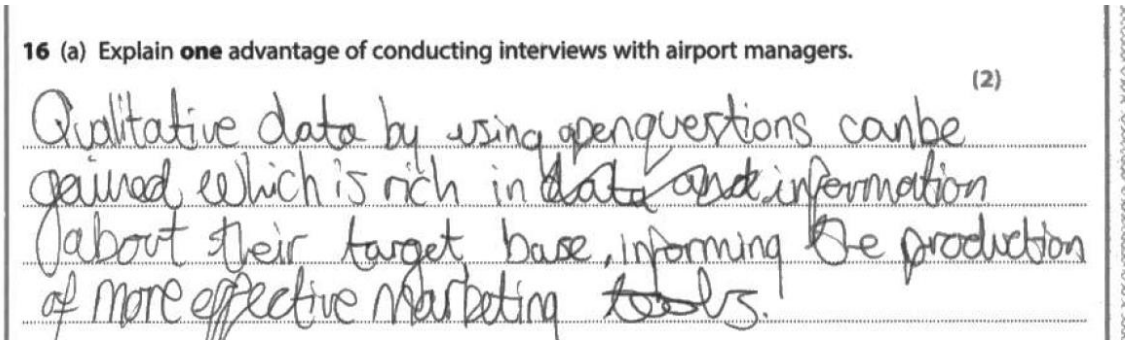
2 ~~Profits~~ Expenses (cost of production, cost of sales, etc.)

(Total for Question 15 = 2 marks)

Question 16 (a)

This question asked learners to explain one advantage of conducting interviews with airport managers. The question assessed B1: Researching the market, specifically primary market research methods. Most could identify one advantage but many found it challenging to explain why this is an advantage.

The response below scores the full two marks: the first mark is awarded for identifying the advantage rich in information about their target base. They then develop this for the second mark by saying that this will be informing the production of more effective marketing tools.



16 (a) Explain **one** advantage of conducting interviews with airport managers.

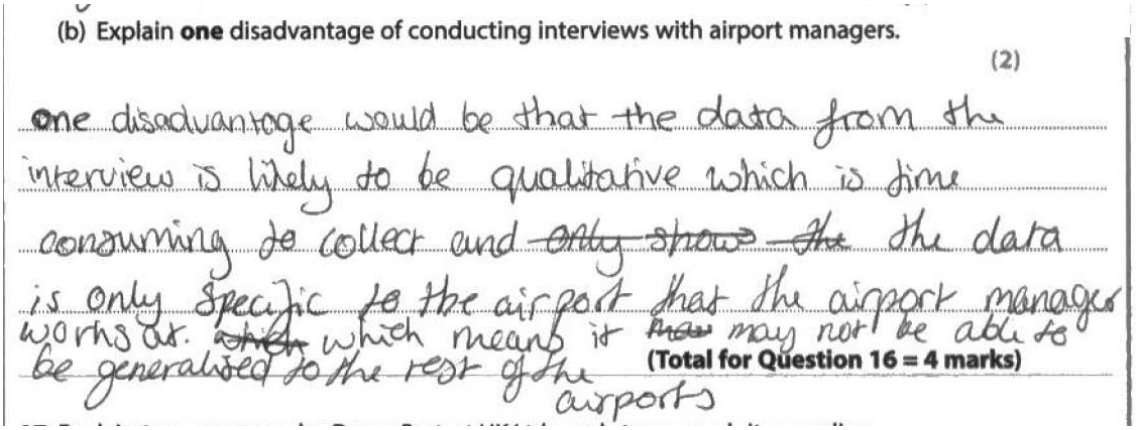
(2)

Qualitative data by using openquestions can be gained, which is rich in data and information about their target base, informing the production of more effective marketing tools.

Question 16 (b)

This question asked learners to explain one disadvantage of conducting interviews with airport managers. The question assessed B1: Researching the market, specifically primary market research methods. Most could identify one disadvantage and were much better on this question at offering development as to why it was a disadvantage. It was common for two disadvantages to be offered but this could never achieve more than one mark.

The response below scores the full two marks: the first mark is awarded for identifying the disadvantage, here they identify that it is time consuming to collect and that it is only specific to one airport. It is the latter point that is developed to achieve the second mark as they say it cannot be generalised to other airports.



(b) Explain **one** disadvantage of conducting interviews with airport managers.

(2)

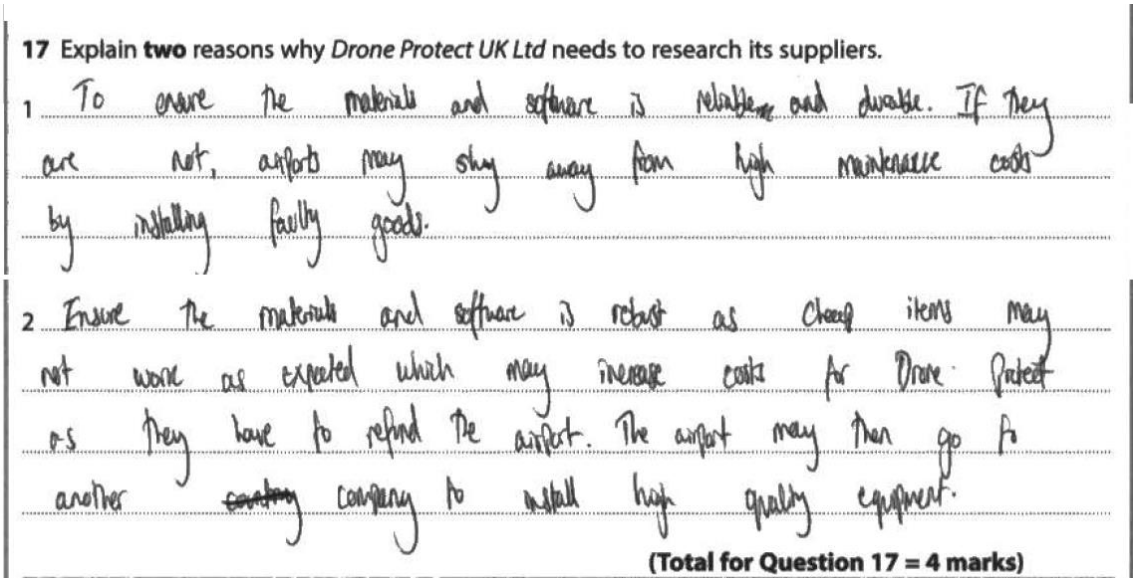
One disadvantage would be that the data from the interview is likely to be qualitative which is time consuming to collect and ~~only show the~~ the data is only specific to the airport that the airport manager works at. ~~which~~ which means it ~~may~~ may not be able to be generalised to the rest of the airports

(Total for Question 16 = 4 marks)

Question 17

This question asked learners to explain two reasons why *Drone Protect UK Ltd* needs to research its suppliers. The question assessed B3: The marketing environment, specifically suppliers. Most could either identify two reasons or one reason with development.

The response below scores two marks: the first mark is awarded for to ensure the materials and software is reliable and durable. The second mark is for developing this linked to faulty goods. The second reason and development is awardable as they say that they must ensure the materials and software are robust to avoid refunds. However, this is a repeat of the first response so is not credited.



17 Explain **two** reasons why *Drone Protect UK Ltd* needs to research its suppliers.

1 To ensure the materials and software is reliable and durable. If they are not, airports may stay away from high maintenance costs by installing faulty goods.

2 Ensure the materials and software is robust as cheap items may not work as expected which may increase costs for Drone Protect as they have to refund the airport. The airport may then go to another ~~country~~ company to install high quality equipment.

(Total for Question 17 = 4 marks)

Question 18

This question was the first of the open extended response questions which used a level-based mark scheme to determine the score. The question asked learners to assess the impact of event marketing on *Drone Protect UK Ltd.* The question assessed D4: Promotion, specifically the method of event marketing. Pleasingly many learners offered advantages and disadvantages of event marketing although for some this was theoretical rather than being applied to *Drone Protect UK Ltd.* Most were able to achieve in Level 2 by offering the two-sided response and those that did place in context were able to move to level 3.

The response below scores eight marks: most of the points made will be relevant to the context in the question (AO3). They demonstrate accurate and detailed application of knowledge and understanding relevant to the context of the question (AO2) with a clear focus on *Drone Protect UK Ltd*. They offer a well-developed and logical two-sided assessment which clearly considers the factors. The lack of a conclusion here limited them to eight rather than nine marks. (AO4) The advantages of event marketing focus on a number of benefits but this is specific to running the event and the disadvantages focus on the issues of the drones failing and the niche nature of the product.

Drone Protect UK Ltd is planning to run an event marketing activity at a major sporting event with a TV audience of millions. A drone will fly into the stadium and a security drone will then be used to catch the drone in a net. A number of drones will create a light display that will finish with the logo for *Drone Protect UK Ltd*.

18 Assess the impact of event marketing on *Drone Protect UK Ltd*. (9)

Event marketing is an event hosted by a company to gain awareness and entice consumers to make a purchase or enquire about their products or services. A benefit to event marketing is that it creates mass exposure. The event will consist of the venue full of people and also be streamed on TV for the wider public to see. Event marketing can be a good way to have people register their interest and also show-off their product and services to demonstrate what it is capable of. The use of the light display to project a logo for Drone Protect UK Ltd., will give a 'wow' factor for people to buy their drones. The use of this can [illegible] reputation of the business significantly. Another benefit of event marketing is that may be able to justify their price compared to competitors. Their competitors may have not hosted a large-scale event before to demonstrate the abilities of their drones so this gives them a competitive advantage over other businesses.

However, event marketing may also not be ideal for marketing purposes. Their target market reach is the niche market and there would not be many consumers (in terms of millions) interested to buy the product. Hosting an event that large scale would cost millions to stream and demonstrate their drones' ability and functionality. If consumers are only there for entertainment purposes, then they will not make any sales or profit. In addition, if something, such as one of the drones, happen to fail, they will need to ensure they have contingency planning in place, for a worst case scenario. If they do not have these procedures in place, then this will cause great public scrutiny as they were unable to demonstrate the product was safe and functional.

Section C

Question 19

This multiple-choice question needed learners needed to identify that aesthetics is the feature of a product that packaging is. The question assessed D1: Product. Many struggled with the question and resulted in the second lowest mean score for a multiple-choice question.

The response below scores one mark: the correct answer aesthetics has been selected.

19 Which **one** of these features of a product is packaging?

- ☒ **A** Technology
- ☒ **B** Aesthetics
- ☒ **C** Design
- ☒ **D** Unique selling point

(Total for Question 19 = 1 mark)

Question 20

The question required learners to state the market type in which *KRS Music* operates. The question assessed A1: Role of marketing, specifically market type. Accepted answers included Business to Consumer (B2C), for profit and niche market. Just over half achieved one mark for this question.

The response below scores one mark: the correct answer niche market has been offered. This was the most common answer given.

20 State the market type in which *KRS Music* operates.

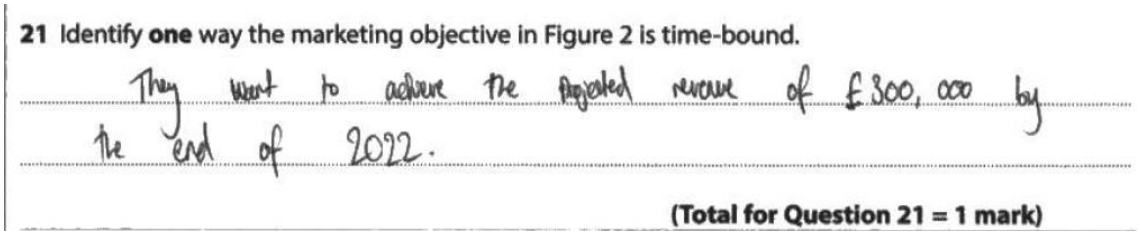
Niche market

(Total for Question 20 = 1 mark)

Question 21

The question required learners to identify one way the marketing objective given in Figure 2 was time-bound. The question assessed A2: Business and organization aims and marketing objectives. Most explicitly identified the date by which the objective was to be achieved.

The response below scores one mark: they clearly identify that the target needs to be achieved by the end of 2022.


21 Identify **one** way the marketing objective in Figure 2 is time-bound.

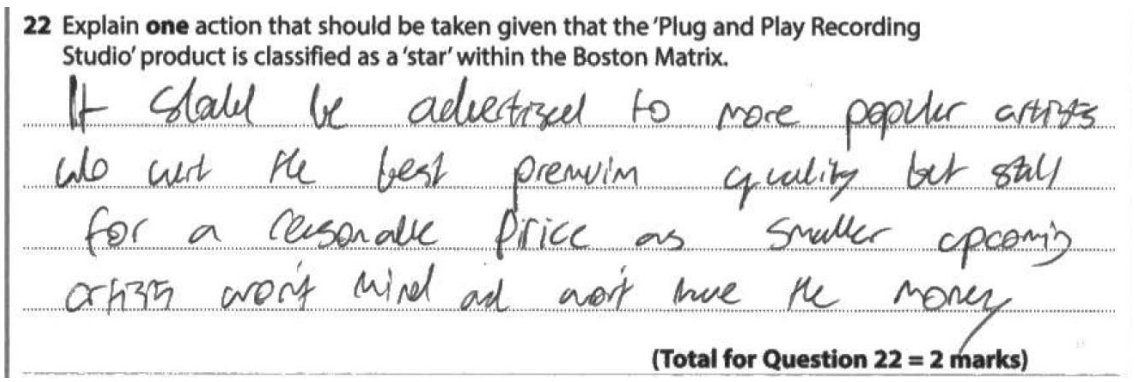
They want to achieve the projected revenue of £300,000 by the end of 2022.

(Total for Question 21 = 1 mark)

Question 22

The question required learners to explain one action that should be taken given a product is a star within the Boston Matrix. The question assessed B3: The marketing environment, specifically tools to assess the marketing environment- Boston Matrix. Many struggled to access any marks on the question. Some were able to access a mark for identifying a specific action and fewer still were able to develop this.

The response below scores one mark: they clearly identify that the action is the advertise but there was not sufficient to award the second mark.


22 Explain **one** action that should be taken given that the 'Plug and Play Recording Studio' product is classified as a 'star' within the Boston Matrix.

It should be advertised to more popular artists who want the best premium quality but still for a reasonable price as smaller upcoming artists won't mind and won't have the money

(Total for Question 22 = 2 marks)

Question 23 (a)

The question required learners to explain one benefit for *KRS Music* of producing the market map. The question assessed B3: The marketing environment, specifically tools to assess the marketing environment- market mapping. A significant number struggled to access one mark on the question. Most that did access marks achieved one with few achieving the development mark.

The response below scores one mark: they achieve the first mark for identifying gaps in the market. The second mark was not awarded as they would need to explain how they would get the competitive advantage.

23 (a) Explain **one** benefit for *KRS Music* of producing the market map in Figure 3.

(2)

It allows to identify gaps in the market and where competitors have ranked their products. KRS Music can then use this position themselves on the market to get a competitive advantage, after reviewing competitor performance.

Question 23 (b)

The question required learners to discuss advantages and disadvantages of conducting a PESTEL analysis. This was the second extended open response question which used a level-based mark scheme. The question assessed B3: The marketing environment, specifically tools to assess the marketing environment- PESTEL analysis.

The response below scored four marks: the first advantage identified is that it identifies strengths and weaknesses which the business can then adapt. The next advantage rewarded is that it does not cost a lot releasing money for other expenses. They then look at disadvantage is that they are external factors that the business has no control over. Next it only applies for a short period of time as factors regularly change. Finally, it identifies that it is time consuming to find reliable resources. The response achieves level 2 as a range of advantages and disadvantages are identified offering some development. Further development would be required to access level 3.

(b) Discuss the advantages and disadvantages of conducting a PESTEL analysis.

(6)

One key advantage of conducting a PESTLE analysis is that its able to identify threats and opportunities that could effect a business this means that businesses are able to adapt to these factors that could be effecting them. Another advantage is that using a PESTLE analysis allows businesses ~~changes~~ chance! to grow meaning that these factors could enable businesses opportunities to generate extra profit. Also, another advantage is that conducting a PESTLE analysis is usually doesnt cost a lot of money because most of the data is Secondary research. this means that businesses have extra money to spend on other expenses. However a disadvantage of using a ~~pet~~ PESTLE analysis is that all the data is external factors, meaning that the business itself cant change ~~theis~~ this. Another disadvantage is that the data only applies for a short amount of time because external factors are regularly changing. This means that the data is limited. Also, another disadvantage is for the data to be reliable, marketing people within the business will have to devote most of their time into finding reliable sources. Meaning that conducting a PESTLE analysis can be time consuming.

(Total for Question 23 = 8 marks)

Question 24

The question required learners to evaluate two options being considered by *KRS Music.* The two options were to develop a new premium-quality product or to further develop and innovate an existing product. This was the third extended open response question which used a level-based mark scheme. The question assessed D1: Product. Most learners achieved within Level 2. Better responses looked at advantages and disadvantages of the two options and ensured that this was applied to the specific business.

They start by explaining that according to Ansoff Option 1 would be classed as product development, they link this to the high risk but potentially high reward. The benefits are considered linking to satisfying customers and enabling them to achieve high sales revenue. The ability to use a premium pricing strategy to maximise profit. A disadvantage is considered link to risks of getting the product wrong and the impact on reputation.

Whilst advantages and disadvantages of the first option are considered the development of these are brief and could have been better applied to context. They then move on to consider the second option to develop and innovate the existing product. They start by identifying that this is market penetration. They identify the weakness of the product and the need to focus on improving the functionality. More on the advantages or disadvantages would be helpful although context is better. A conclusion is offered with the focus on the need to have a USP and selects option 1.

With both options considered and a conclusion offered this learner has achieved level 2. To move to level 3 the context and development in the first option and more on advantages and disadvantages on option 2 would help.

KRS Music wants to improve sales revenue and profits. It is considering one of these two options for the new product:

Option 1: to develop a new, premium-quality product – high risk/reward

Option 2: to further develop and innovate the existing 'Full Home Studio' product.

24 Evaluate the **two** product options being considered by *KRS Music*.

(12)

KRS Music may decide to ~~exercise~~ use the approach where they develop a new, premium-quality product. Business theory suggests that Ansoff's matrix describes this as product development – where a new product is targeted to an existing market of consumers. The ~~biggest~~ main concern about this approach is that ~~it~~ it is high risk but also high reward. The benefit of the approach is that if KRS develop a product that is very unique, new and premium-quality, then it will satisfy the needs and wants of customers and will allow for a higher sales revenue. As it is a new product as well, they may also be able to use a premium pricing ~~the~~ strategy to further maximise profit. The disadvantage is that if they develop this product incorrectly, then it will generate no profit as the wider market may get influenced by negative feedback. They may also worsen their brand reputation being greatly affected.

The second strategy KRS Music may wish to choose is to further develop and innovate the existing 'Full Home Studio' product. Business theory suggests that this is described as Market penetration – where an existing product is targeted at an existing market of consumers. The Full Home Studio product is known to be "a difficult system to set up." This would put consumers off buying the product so they would benefit from any sales revenue or profits. ~~This~~ This is a 'question mark' product on the Boston Matrix, which it has potential to have a high market share and growth, if developed and improved correctly. They may decide to improve the usability and functionality so that customers find it easy to use. This will result positive feedback, which may influence other buyers to make a purchase which therefore leads to increased profits.

To conclude, I recommend KRS Music use their option 1. This is because if competitors do not have the same product, then KRS Music will have a USP to boost and will have an ~~significant~~ ~~competitive~~ absolute advantage as they gain market share and also greater profits to utilise profit maximisation.

Summary

Overall, there are some clear examples of good practice taking place in many centres. Some strong examples of understanding of marketing principles were pleasing to see as is the way learners' structure the evaluate and assess questions. Centres need to work on encouraging more balance in responses and context.

There are however a small number of topics that may need close attention as learners struggled with some concepts as outlined above and below in the bullet point list. There were fewer instances of examples where the extended open response questions were omitted compared to last series. Those that did struggle to complete may be due to timing issues so learners may benefit from timed practice using this paper, the January paper, the Sample Assessment Materials and Additional Assessment Materials that can be found on the Pearson website. Learners should try to allocate time accordingly and ensure that the larger questions are attempted.

The following suggestions are made on how learners can further improve their answers.

- Ensure the question is read carefully to answer the question asked.
- Ensure the amount of time is spread across the paper so all questions are completed.
- Ensure learners can give examples of guerrilla marketing as many left this question blank
- Ensure that learners can identify that personality characteristics are part of the psychographic target markets.
- Ensure that extra attention is given to understanding limited decision making as learners were unable to explain how marketing needs to be adjusted for them. Similarly extensive decision making needs additional attention.
- When asked to explain there is one mark for identification and one mark for linked expansion of each point. Except for the 6-mark question as the end of Section A where they explain two points but for 6 marks, so this needs an additional linked expansion.
- When using information from a stem or scenario it is important that this is not just copied out but processed in some way. For example, if it says a business used a premium pricing strategy it is better to refer to them charging a higher price with a premium over the competition.

- Aim to produce a balanced argument on all assess, discuss and evaluate questions in order to achieve the higher levels. The level descriptors expect balance in the higher bands so try to plan out your answer.
- Use the scenario provided to apply knowledge and understanding in context, particularly in Section B and Section C. Do not just use the name but make reference to the goods they manufacture or services they provide. Make reference to the market and customers they serve and include details given in the scenario where relevant.
- Provide a conclusion to the assess and evaluate and questions worth 9 and 12 marks respectively. The answer should be justified based on the arguments presented in the body of the response.

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